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UNITED KINGDOM'S FISHING INDUSTRY 1959-1963 1/

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I. INTRODUCTION

The most important developments in the U.K. fishing industry in the past year have been (1) the Government's decision in May 1963 to free itself from its existing obligations respecting fishing limits, following pressure particularly from Scottish inshore fishermen, and (2) the calling in December 1963 of what may prove to be the most important European Fisheries Conference since 1883. The major item of discussion at the Conference was fishing limits, but it is hoped agreement may be reached later on access to markets and policing of fishing grounds. Conditions of access to fishing grounds, access to markets and marketing possibilities are important both domestically and internationally, as is conservation policy. In the Government's opinion, production and marketing problems can be solved only through overall cooperation in the Northern and Western European area.

A further matter of international importance is that the last ratification of the North East Atlantic Fisheries Convention signed in London in 1959 was deposited in June 1963 when the Convention automatically became operative. This Convention provided for more extensive regulation of mesh sizes and of the size of fish which may be caught. It also covered a wider geographical area than the 1946 International Fisheries Convention which has governed mesh sizes.

Government assistance to the fishing industry has been extended. One of the factors which affected the Government's thinking in this respect was the extension of limits off Iceland, Norway, and the Faroes, although the U.K. catch has not fallen as anticipated. The growing competition by many fishing nations on the available grounds was another. In addition, there is a compelling need to improve the quality of fish for the market in order to create a better demand for both fresh and quick frozen fish and thus obtain a better return. The most significant developments in the industry are likely to be in this respect. These factors entail new types of vessels (for instance, so that the catch may be frozen at sea) and new forms of fishing as well as new techniques of marketing and distribution.

A blueprint for the fishing industry for the next 10 years was provided by The Sea Fish Industry Act, 1962, which resulted from the Government's White Paper (Cmnd. 1453) entitled "The Fishing Industry" setting forth the Government's general policy for fishing, following the recommendations of the Fleck Committee in January 1961. A subsidy to the white fish industry has operated since 1950, and one to the herring industry since 1957. These were intended to cease in 1961 but were temporarily extended until 1963. The 1962 Act extended subsidies, on a diminish-

ing scale, until 1972. It also provided for additional special subsidies to be payable to the distant, middle and near water fleets to meet circumstances of special difficulty. The distant water fleet received an operational subsidy for the first time in 1961. The Act altered the basis on which white fish subsidy payments are made to vessels over 80 ft. in length and made further provision for grants and loans for the acquisition and improvement of fishing vessels*. Although assistance in this respect may for the first time be given for the distant water fleet, the scale of help to trawlers generally is much more restricted. The Government's intention is that during the period of help through subsidies, the industry should adapt itself to changes taking place or in prospect. Fish subsidies are expected to cost £4.5 million in 1963-64, although Parliament has made available £4.75 million so that it will not be necessary to ask for more should the £4.5 million prove insufficient. The amount allocated brings the total made available since subsidies began in 1950-51 to £35 million. In 1962-63, subsidies amounted to £4.15 million, including £2.8 million for distant, near and middle water vessels, and £1.4 million for inshore vessels. The current value of subsidies represents about 10 percent of the fleet's gross income.

Britain is the only country in Europe catching less fish than before the war, yet consumption is rather higher than in most of Europe or North America. The quantity landed by U.K. vessels in 1962 was slightly higher than in 1961, but the total value of the U.K. catch in 1962 was a little lower than in 1961. The quantity and value of foreign landings were lower in 1962 than in 1961.

The number of fishermen in Great Britain has decreased from 41,878 prewar to 27,975 in 1961 and 27,143 in 1962. There were 572 fewer fishermen in England and Wales in 1962 and 260 fewer in Scotland, but whereas in England and Wales the loss included 229 part-time fishermen, in Scotland, of the 260 men lost to the industry, 230 were whole-time fishermen.

The concentration of ownership of vessels in England and Wales was reversed in 1962, but in Scotland the number of owners of vessels continued to fall, and this process must go farther there in order to obtain an efficient operating fleet.

For the first time since the inception in 1951 of the loans scheme for the building, conversion, or reconditioning of fishing boats through the Government-sponsored White Fish Authority, substantial amounts were overdue from borrowers for principal and interest at the end of March 1962. The situation worsened

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* The Act also extended the powers of Ministers to regulate fishing for salmon in the sea, and empowered them to control shell fish pests and diseases and to take other measures for the improvement of the shell fish industry (which is a growing one).

considerably in the first five months of 1963, and the White Fish Authority took the unprecedented steps (1) of taking over vessels in two cases from firms who could not meet their obligations and selling them, and (2) in another case (where the firm went bankrupt) of leasing a shipyard to complete three vessels under construction. The White Fish Authority found it impossible to meet the half-yearly repayment of principal and interest of £1.7 million due to the Exchequer on April 30, 1963.

In 1962, the White Fish Authority continued its policy begun in 1961 of restraining assistance for the construction of near and middle water vessels. These fleets have been virtually rebuilt since the war, but have been affected by the loss of traditional fishing grounds by having to go farther afield. The Authority's policy regarding help for new inshore vessels is to avoid any increase in total catching capacity.

While there were operating profits in 1962 for near and middle water vessels, when depreciation is allowed for, average losses among such vessels were greater in 1962 than in 1961. In the first five months of 1963, catches of English vessels in these fleets were up by 25 percent compared with the same period of 1962, but average prices were a little lower. The Scottish middle water boats did slightly better in 1962 than in 1961, but were still suffering losses. In the first five months of 1963, their takings were down by one percent due to lower prices rather than smaller catches. The distant water fleet also fared worse in 1962, although overall there was a small profit after allowing for depreciation. Some sections of the distant water fleet (particularly the older boats) did distinctly worse in the first five months of 1963 than in the same period of 1962.

In 1962, most sections of the inshore fleet did better than in 1961 and some considerably better, although there were exceptions in specific ports in Scotland and in England and Wales. Pilchard fishermen had poor catches. The 70 ft. to 80 ft. trawlers did not do so well, neither did the Danish type of seiners making longer voyages in the North Sea. The herring fleet did better in 1962 than for some years, but not well. It caught 511,000 crans* in 1962, compared with 506,000 crans in 1961, and there was a substantial rise in price. The attitude toward trawling for herring has changed in the past few years and appears to be: "If you can't stop it you may as well be in at it while it lasts". However, trials carried out in 1962 were unrewarding and caused some difficulty with ring net and some drift net fishermen.

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* One cran equals 392 lbs.

In the first eight months of 1963, £1.1 million more fish by value was landed by British vessels than in the same period of 1962, but £1.0 million less was landed by foreign vessels, following a big fall in landings by foreign vessels in 1962. Considerably more fish was landed in England and Wales from the Grand Bank of Newfoundland and from the West Coast of Greenland.

Total imports of fish and fish preparations rose by 40.6 percent in 1962, chiefly due to higher imports of canned salmon, mainly from Japan, following low imports because of shortage of supplies in 1961. Price is an important factor in increasing imports of any sort of fish. There is goodwill toward North American suppliers, but over the years Japan has made big inroads on this market. Imports of fresh, chilled and frozen fish fell in 1962 (which is unusual), possibly because of the lower prices operating for cod, haddock and plaice and the large amount of fish which remained unsold by auction or at the reserve price at the English docks following increased catches by the distant water fleet, so that imports of white fish declined (according to WFA) by 11.8 percent and landings by foreign vessels by 17.0 percent.

II. FISH CONSUMPTION

In August 1962, the report of the National Food Survey Committee for the year 1960 revealed that the housewife's purchases of fish were three percent less than in 1959 and 18 percent less than prewar. The sales of foods that compete with fish showed a marked upward trend. Later provisional figures show that the consumption of fresh fish was unchanged in 1962 compared with 1961, when 17.5 lbs. per head of population were consumed, and with 18.2 lbs. in 1960. As shown by the following table, imports of canned fish, mainly salmon and sardines, recovered in 1962 from the lower level of the previous two years, so that the decline in the total edible weight of fish was reversed. But the total consumption figure remains 18 percent below prewar.

Food Supplies per Head per Annum Moving into Consumption in the U.K.
(lb. per head per annum)

Fish	Prewar	1959	1960	1961	1962 (Provisional)
Fresh, frozen and cured (wet fillet equivalent)	21.8	17.8	18.2	17.5	17.5
Shell fish (edible weight)	0.9	0.6	0.7	0.7	0.7
Canned fish (imported)	3.5	3.6	2.6	2.1	3.2
Total (edible weight)	26.2	22.0	21.4	20.3	21.4
As percentage of prewar	100.0	84.0	82.0	77.0	82.0

Retail fish and chip shops were affected by a shortage of potatoes which caused some to close for a time in the summer, thus affecting major ports, particularly Hull. They are also experiencing competition from barbecue chicken shops and hamburger bars.

III. FISH CATCH, UTILIZATION, AND PROCESSING

Catch

The total value of the U.K. catch, including shell fish, amounted to £51,323,000 in 1962. This includes 785,900 long tons of wet fish valued at £48,862,000. In addition, £3,391,000 of fish was landed by foreign vessels, including 52,850 long tons of wet fish valued at £3,388,000. Landings of demersal fish by foreign vessels were lower in 1962 than in 1961 (51,300 long tons in 1962 valued at £3,315,000, compared with 59,150 long tons in 1961 valued at £4,309,000).

The following table* shows the landings in the U.K. by U.K. vessels in 1962, compared with 1961:

	1962		1961	
	Quantity in Long Tons	Value in £ sterling	Quantity in Long Tons	Value in £ sterling
Demersal	676,800	45,700,000	643,800	46,617,000
Pelagic	109,100	3,162,000	101,900	2,641,000
Shell Fish	-	2,461,000	-	2,376,000

Although the total volume of fish landed by U.K. vessels in 1962 was for the first time in many years a little higher than in the previous year, the value was lower than in 1961, due to lower average prices for the demersal catch. The average price in England and Wales for demersal fish fell by 5s. 8d. per hundredweight (112 lbs.) to 68s. 0d. In Scotland, the average price for demersal species was 67s. 9d. per hundredweight in 1962, compared with 69s. 7d. in 1961. The average price for pelagic fish in England and Wales rose by 7s. 8d. in 1962 to 37s. 9d per hundredweight. In Scotland, the average price for herring increased by 3s. 2d. per hundredweight in 1962 to 28s. 2d. and the average price for pelagic fish increased from 27s. 2d. per hundredweight in 1961 to 35s. 8d. in 1962. Attached are copies of Table 8 from Sea Fisheries Statistical Tables 1962. This shows the average values of varieties of fish of British taking, 1938, 1946, and 1958-62.

* Based on Table 1, Sea Fisheries Statistical Tables 1962

The decline in U.K. landings of herrings since 1959 was arrested in 1962 as was the decline in landings of demersal fish in England and Wales which occurred in 1961. The demersal group consists chiefly of cod, haddock, whiting, plaice, and saithe (coalfish), amounting to over 83 percent of the total weight of the demersal catch. In the pelagic group, herrings are the main item. Cod, haddock, plaice and saithe are important to England and Wales, while haddock, cod, whiting, plaice, saithe, skate and hake are important parts of the Scottish demersal catch. Herring is of far more importance to the Scottish fishery than to England. The increase in the value of shell fish landings in 1962 was due entirely to increased landings in Scotland of all the main varieties, particularly lobsters.

1962 was also a good year for salmon fishing for both anglers and commercial fishermen. The catch of both was higher than usual. The year was remarkable for a very heavy run of grilse (salmon which have spent only one year in the sea) which in Scotland and Ireland was greater than any since the 1890's. In England and Wales, it was less noticeable but did contribute to larger catches in rivers of the north-west. The year was below the average for catches of migratory trout.

Distant Waters

So far as Great Britain is concerned, landings from distant waters increased significantly in 1962 to 399,401 long tons, compared with 345,298 long tons in 1961, due partly to a 6.8 percent increase in the rates of catch for each 100 hours of fishing, and partly following a transfer to the distant water fishing effort of grant-aided trawlers of less than 140 feet in length from near and middle waters, which is reflected in the lower landings from near and middle waters.

The rates of catch in the Bear Island and Barents Sea regions were the best since 1957, despite falls of 6.2 percent and 3.7 percent, respectively, in the number of hours English vessels fished there. The rate of catch for Iceland was unchanged compared with 1961. This is attributed to fishing in this region by smaller trawlers, following the limited relaxation at the end of 1961 of the restrictions on fishing in distant waters by grant-aided trawlers. The catch per day at sea at Iceland of vessels over 140 feet in length, which have proportionately greater fishing power, rose by two percent in 1962 as compared with 1961. The number of hours of fishing at Iceland increased by 8.2 percent. It appears that the trawlermen's answer to extension of fishing limits is more intensive fishing, although the WFA points out that changes in catching rates are caused principally by the variety of the catch, the fishing power of different vessels and the natural yield of the sea. The weight of

fish caught per unit of time is not a true measure of the relative efficiency of vessels, unless the comparison is made between vessels of similar power, fishing the same grounds at the same time.

Despite the better catch, the average value of the distant water catch fell sharply by nine percent, from 65s. 4d. per hundredweight to 59s. 8d. per hundredweight. A large part of the fall was attributed to lower auction prices, but other factors — an increase in the quantity of fish unsold at or above the reserve price and an increase in proportion of cheaper varieties of fish, particularly codling — also contributed. The quantity of fish unsold at auction and used for fish meal was approximately 18,000 tons, or 5.5 percent of total distant water landings as compared with 6,000 tons (1.9 percent) in the previous year.

Near and Middle Water Fishing

A serious situation was created for middle water vessels when the Faroe fishing limit was extended. Traditionally, such vessels have been almost entirely dependent on Faroe grounds. Consequently, all restrictions were abandoned effective January 1, 1963 on grant-aided vessels (built or modernized with aid from the Government) fishing in distant waters. Such restrictions had previously operated to restrict competition with unaided distant water vessels.

In 1962, the total British catch from near and middle waters declined, as it has annually since 1958. The fall was 7.2 percent, to 185,502 tons. The total value declined by 7.8 percent, to £15,795,526. The average value, however, remained almost unchanged at 85s. 3d. per hundredweight. English and Welsh landings fell by 12 percent, although the overall rate of catch was less by only four percent; this is explained largely by the transfer of fishing effort to distant waters. The Scottish catch declined by two percent, despite a small increase in the rate of catch.

The rates of catch of English and Welsh vessels per 100 hours trawling declined, except in the Southern North Sea and at Faroes where they rose by 25 percent and one percent, respectively. The number of hours of fishing in near and middle waters by English and Welsh motor trawlers increased in 1962, except in the Southern North Sea, where the fishing effort fell by nearly 40 percent.

The rates of catch of Scottish trawlers increased, except on the West Coast of Scotland, where they declined by 33 percent. The overall increase in the rate of catch was only one percent. The Scottish fishing effort in near and middle waters declined by 7.2 percent due mainly to a considerable shift to Iceland waters. The Scottish fishing effort in the Rockall region considerably increased.

Inshore Fisheries

Landings of white fish (excluding shell fish) from inshore waters rose by 14.6 percent in 1962 and 2.9 percent by value. The average value declined by 10 percent, to 58s. 3d. per hundredweight. It is doubtful whether the increase in total earnings did more than keep pace with increased costs. Most of the £2.5 million of shell fish landings were, of course, landed by inshore vessels. Over the past few years the increasing development of shell fishing has been an important factor in the economy of the inshore industry in the Highlands and Islands in particular. With the cooperation of the Department of Agriculture and Fisheries' Marine Laboratory, an annual survey of lobster stocks is to be undertaken with a view to anticipating the need for conservation measures, if and when such measures require to be taken. The lobster fishing, the most important branch of the Scottish shell fish industry, decreased slightly by weight in 1962, but the value of the catch rose to £553,879 compared with £548,404 in 1961. The average price received by the fishermen rose from 5s. Od. per lb. to 5s. 7d. per lb. Landings of nephrops (Norway lobsters) in 1962 increased in value, although not by volume. Most of them were quick frozen and appeared in the shops as scampi.

Trends in 1963

In total, slightly more wet fish was caught by British vessels in the first eight months of 1963 than in the same period of 1962, 550,483 long tons valued at £33.4 million, compared with 519,475 long tons valued at £32.5 million in the first eight months of 1962. In addition, 69,728 long tons of wet fish valued at £8.4 million was landed in Great Britain by foreign vessels in the first eight months of 1963. This compares with 82,864 long tons valued at £9.4 million landed by foreign vessels in the same period of 1962.

Demersal fish landed in England and Wales by British vessels to the end of August 1963 amounted to 330,722 long tons, compared with 356,616 long tons in the same period of 1962. Trawlers are going farther afield. For instance, landings from the Grand Bank Newfoundland amounted to 5,552 long tons in the first eight months of 1963, compared with 2,669 long tons in the same period of 1962, and landings from the West Coast of Greenland amounted to 15,391 long tons in the first eight months of 1963, compared with 3,533 long tons in the same period of 1962. Landings were also higher from Faroe, the Middle North Sea, Southern North Sea, West of Scotland, West of Ireland, and the East Coast of Greenland.

Processing

Canned Fish Production

Canned fish production in the U.K. rose by nearly nine percent in 1962 to 8,600 long tons, compared with 7,900 long tons in 1961, due to a 13 percent rise in the production of canned herring, production of which amounted to 7,350 long tons in 1962 compared with 6,475 long tons in 1961.*

Quick Frozen Fish

British production of quick frozen fish increased by only about three percent in 1962, a smaller increase than in either 1961 or 1960, which suggests that the rate of expansion in the quick-freezing industry may be slowing down.

Quick Frozen Fish Produced

Year	Fish Used (Estimated) (long tons)	Percentage of Total Landings	Total (long tons)	Bulk or Catering Blocks (long tons)	Consumer Packs (long tons)
1958	94,037	11.3	42,747	28,751	13,996
1959	98,102	12.2	43,292	25,249	18,043
1960	116,500	14.5	52,417	29,930	22,487
1961	127,020	16.3	56,157	29,996	26,161
1962	128,400	15.9	57,799	33,763	24,036

Source: Annual Report and Accounts for the year ended March 31, 1963 of The White Fish Authority — based on Quick-Freezers' Returns.

Mac Fisheries Ltd. announced during 1962 that they no longer found it economic to process white fish in Shetland. Operations ceased in November. However, as a result of the combined efforts of the company, the fishermen and the salesmen, and of the Herring Industry Board and the Committee for Scotland and Northern Ireland, production was resumed in February 1963. An important feature of the resumption has been the arrangements for contract fishing involving 33 out of 56 vessels. This is a new development in Scotland and the WFA, on the recommendation of the Committee, have submitted proposals to Departments for providing special assistance. The first contract

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* Based on Table 10, Report of the Herring Industry Board, 1962

in England between trawler owners and quick freezers for a guaranteed quantity of fish at an agreed price was signed in 1958.

IV. FOREIGN TRADE

Imports

Britain is a very large importer of fish, chiefly salmon. Imports of fish and fish preparations increased by 40.6 percent in 1962, from £42,879,959 to £60,290,103, due mainly to higher shipments of canned salmon, following particularly low imports in 1961 due to shortage of supplies. Of total fish imports in 1962, the following countries were the chief suppliers:

Country	Percent of Total Value
Japan	44.6
Norway	11.7
Denmark	8.2
Canada	7.6
Iceland	4.5
United States	3.4
Portugal	3.3
U.S.S.R.	2.9
Other	13.8
Total	100.0

By value, Common Market countries furnished 2.8 percent of imports in 1962, compared with 3.6 percent in 1959. Imports from these countries have declined by 11.7 percent since 1959, mainly due to lower imports from Western Germany and the Netherlands. On the other hand, EFTA countries sent 22.2 percent of total imports in 1959, but 23.6 percent in 1962. Their shipments have risen by 17.6 percent since 1959.

Table I, attached, shows the pattern of U.K. imports of all fish and fish preparations (excluding whale meat and meals, and oils from fish and marine animals). Tables II - VI, attached, provide values of imports from individual countries of (a) Fish and Fish Preparations in Airtight Containers, (b) Imports of Fresh, Chilled and Frozen Fish, (c) Cured or Salted Fish (not in airtight containers), (d) Shell Fish, and (e) Sturgeon Roe and Other Fish Roes Prepared in Like Manner, plus "Other Fish and Fish Preparations, n.e.s."

Price is an important factor in increasing imports of any sort of fish. The full rate of import duty on canned salmon, a major import, is five percent; imports from Commonwealth countries are free of duty,

and imports from EFTA countries, which paid 2½ percent until December 31, 1963, are now free. For canned tuna, the respective rates are: full, eight percent; Commonwealth countries, free; EFTA countries, 2½ percent. Other sorts of canned fish of the ordinary kind, such as brisling, herring, pilchards, and sardines, bear a full rate of 10 percent, Commonwealth imports are free, while EFTA countries which paid five percent until December 31, 1963 are now charged 2½ percent. Chilled or frozen fillets, an important import, are subject to 10 percent full rate, and four percent for EFTA countries after December 31, 1963 (five percent previously for EFTA), while Commonwealth imports are free. Chilled or frozen salmon enters free from all countries. Wet salted split fish enters free from all countries. Other wet fish for human consumption generally bears a duty of 10 percent for all countries, except Commonwealth countries, whose imports are free. Fish roes bear a duty of five percent full rate, including EFTA countries, while imports from the Commonwealth are free. The full import duty on crustaceans and molluscs ranges from 7½ percent to 30 percent, depending on the kind of fish and whether it is fresh or preserved, while the duty on imports from EFTA countries ranges from 2½ percent to 30 percent, and imports from Commonwealth countries are free.

Canned fish is by far the largest import, and Japan is the largest supplier, despite distance and import duty. "Sockeye" red salmon is the most popular. Of total fish imports in 1962, Japan sent £26,912,710. Of canned fish imports amounting to £39,746,469 in 1962, Japan supplied £23,727,997 of salmon. The Japanese price in 1962 was about 15s. Od. per hundredweight lower than the Canadian or U.S. price -- 145s. Od. to 150s. Od. per hundredweight, compared with 160s. Od. to 165s. Od. per hundredweight for canned salmon from North America.* Japan also consigned £523,075 of chilled or frozen salmon [this heading also includes migratory trout throughout]. Moreover, imports of all classes of fish from Japan except "Other shell fish for food" increased, including canned crabs and tuna, chilled or frozen salmon and cured and salted fish.

Imports from Canada, amounting to £4,562,166, in 1962 were chiefly canned fish, of which £3,350,954 was salmon. Canada also shipped £500,948 of chilled or frozen salmon. Imports of canned salmon from the United States in 1959 reached £2,956,976, following liberalization of imports from the dollar area in September 1958 to help Canadian exports in a glut year. They were slightly less in 1960, but in 1962 amounted to £1,718,334, compared with £1,367,540 in 1961. While the Japanese have made big inroads into the canned salmon market, there are strong links in this country between retailers and the Canadian and U.S. suppliers, particularly the Canadians, who

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* Price information provided by Ministry of Agriculture, Fisheries and Food

it is said will always be able to sell their salmon here but do not send as much as they used to. However, there is strong consumer resistance to the product when the price goes above 4s. 0d. per large size can. Imports of chilled or frozen salmon from the United States rose from £1,191 in 1959 to £91,119 in 1960, declining to £47,300 in 1962. Imports of this variety are used for producing cheap smoked salmon or salmon paste, or for canning. They must therefore be competitive.

Chilled fish fillets are the largest import apart from canned salmon. Imports of them rose a little in 1962 compared with 1961.

Denmark and Norway are the principal suppliers of fresh, chilled and frozen fish. Denmark supplied £4,387,495 in 1962 and Norway £3,151,912. Imports from Denmark are mainly chilled fillets (chiefly plaice) valued at £2,001,200 in 1962, compared with £1,920,350 in 1961, and unfilleted plaice £1,259,682 in 1962, compared with £1,364,124 in 1961. Norway sent £990,032 of chilled fish fillets in 1962 (mainly cod and haddock), compared with £854,328 in 1961, the remainder was fish of various types. Imports of fish fillets from Canada, South Africa and Sweden declined. It will be remembered that special arrangements were agreed with certain EFTA countries (Denmark, Norway, and Sweden) to prevent exports of quick frozen fish fillets from such countries to the U.K. exceeding 24,000 tons annually by January 1, 1970 and to ensure that the rate of expansion would be gradual and orderly. Of 23,552 long tons of such fillets imported in 1962 valued at £4,636,730, these countries shipped 13,258 long tons valued at £3,027,450, compared with 12,961 long tons in 1961 valued at £2,901,021. Iceland was the next biggest shipper in 1962 of fresh, chilled and frozen fish (chiefly cod and haddock) including 6,306 long tons of chilled fillets valued at £968,199 in 1962, compared with 5,840 long tons in 1961 valued at £844,913.

Exports

Exports of fresh, frozen, cured and canned fish, etc., rose in 1962 to £7,054,701 — an increase of £688,018 on 1961. (See Table VII). White fish exports accounted for 74 percent of the total in 1962, compared with 70 percent in 1961, and herring exports for 26 percent against 30 percent in 1961. The main increases in 1962 were in quick frozen fish and white fish preparations. The principal destinations for quick frozen fish were the U.S.S.R., Soviet Bloc countries, and Australia. The fresh herrings went chiefly to the Netherlands and Canada.

Exports of cured or salted fish, not in airtight containers, amounted to £2,084,440, of which £943,440 was herrings and £596,160

cod. The cured herrings were exported chiefly to Italy (£157,309), the Republic of South Africa (£134,643), and the United States (£107,369), while the cod went chiefly to Angola, Portuguese East Africa and the United States.

Exports of other fish and fish preparations in airtight containers or not amounted to £1,805,198. This includes £726,027 of canned herrings, exported chiefly to Australia and the United States. The Republic of South Africa and Australia bought most of the fish paste, while "Other Sorts" of fish and fish preparations went mostly to Australia (£508,392 out of £940,084) and the United States (£88,723).

Exports of shell fish for food increased by £82,076 in 1962 to £652,603. The chief customers were France, the Netherlands and Belgium.

Exports of fish and meat meals (including solubles) in 1962 were £167,628, compared with £178,272 in 1961. They were exported chiefly to the Irish Republic, the Netherlands and Sweden.

V. FISHING LIMITS AND THE 1963 EUROPEAN FISHERIES CONFERENCE

Following the essentially political agreement with Iceland on February 27, 1961 that after a transitional period of three years the U.K. will observe a 12-mile fishery limit off Iceland in the Spring of 1964 (thus denying distant water trawlers, particularly the smaller ones, access to traditional fishing grounds), came the one with Norway the same year, whereby Norwegian fishery limits were extended from four to six miles, while in four limited areas between the 6 and 12-mile lines trawling is prohibited in certain periods, and by 1970 a 12-mile limit will operate around Norway. In March 1962 the Anglo-Soviet Fisheries Agreement, which enabled British trawlers to fish up to three miles from the coast in certain areas of the Barents Sea, an important plaice-fishing area, was terminated. Then, early in 1962, Denmark gave the requisite year's notice to terminate the Anglo-Danish Fisheries Agreement, whereby British vessels had fished during certain periods in specified areas between 6 and 12 miles from the base lines around the Faroe Islands. Before the year-end, the entire British trawling industry, including representatives of the Scottish industry and of the trades unions, had announced opposition to the latest proposed extension. Since the end of 1962, other countries in the North Atlantic area have taken further unilateral action with regard to fisheries limits. The British Trawlers' Federation contends that a solution can be found only at international level.

The continuing poor state of the herring fishings (possibly in view of the proposed limitation on drift net fishing for salmon to which herring fishermen have turned as an alternative) intensified the feeling in Scotland, where herring fishing is a more important part of the whole industry than in England, that British fisheries limits should be extended. In May 1962, six associations representing the great majority of those engaged in inshore fishing for herring and white fish in Scottish waters proposed to the Secretary of State for Scotland that U.K. territorial jurisdiction should be extended to embrace all waters off the Scottish coasts for not less than three and not more than six miles to seaward of a line drawn from the Longstone Light in Northumberland and thence from headland to headland round the coast, including the Western Islands, to St. Bees Head in Cumberland, similar lines to be drawn round Orkney and Shetland and sovereignty claimed for the same distance to seaward of such lines.

The Report of the Herring Industry Board for the year ended December 31, 1962 discussed this problem. The Board formally proposed to Departments that the breadth of the seas over which the U.K. should have exclusive fisheries jurisdiction should be 12 miles, measured from base lines drawn in conformity with the provisions of the Convention on the Law of the Sea 1958 as the Board understood them.

The British Trawlers' Federation recommended the limitation of fish supplies, with about one-fifth being imported. This was not well received.

Britain (which along with Canada and the United States had stuck to the three-mile limit) gave notice on April 26, 1963 of its intention to withdraw from certain international fishery agreements in order to regain freedom of action regarding the extent of British fishery limits (see Embassy Airgram A-2639, May 4, 1963). At the sametime, the U.K. Government invited those countries concerned with the North-Eastern Atlantic area (members of the European Free Trade Association and the European Economic Community, Iceland, the Irish Republic, and Spain) to a Conference. The Conference (described by The Fishing News as undoubtedly the most vital Conference of West European fisheries nations since 1883) opened in London on December 3, 1963, when 16 nations and the Commission of the EEC were represented. The talks were held in secret and were adjourned after four days of preliminary discussions until January 8, 1964. The Dutch Minister of Agriculture and Fisheries is reported by The Fishing News, December 6, to have told the Lower House of Parliament that Holland welcomed Britain's initiative in calling the Conference. This report says that "North Sea fisheries was one of the main topics at the Conference."

At a press conference following the adjournment, Mr. Peter Thomas, Minister of State for Foreign Affairs, said, "there had been general agreement on the need for devising a modern code governing the conduct of fishing operations. The code should bring up to date, on a wider basis, the provisions of the North Sea Fisheries Convention of 1882. Particular attention was given to the possibility of reaching agreed arrangements on access to fishing grounds and the desirability of establishing liberal fish trade policies." The Fishing News, December 6, reported, "among subjects under discussion were the principles for establishing limits, international policy of fishing grounds, and matters affecting trade."

The Financial Times, November 6, 1963, reported that Mr. Magnus Andersen, the Norwegian Fisheries Minister, told the Norwegian Journal of Commerce and Shipping that he did not favor giving foreign fishing vessels landing rights for their catches in Norway. On December 4, the same source commented:

> "The calling of a conference suggests that the Government is anxious to negotiate a general settlement of disputed fishery questions and is prepared to use the size of Britain's limits as a bargaining counter. There are several points, apart from fishing limits, on which there is room for bargaining —notably better access to the Continental market, and the conservation of stock through international regulation of the minimum mesh of nets. But the European Community is even further from having a common fishery policy than a common agricultural policy and agreement may be difficult to reach at this stage. In that case, the Government will presumably be forced to extend our fishing limits and perhaps to help fishermen as it is beginning to help farmers — by limiting imports. It is an unattractive prospect."

Before the Conference the President of the British Trawlers' Federation issued the following statement aimed at clarifying its attitude towards the possible extension of U.K. fisheries limits:

> "While my Federation recognise the claims of inshore fishermen to some extension of the present three-mile limit, we have at all times opposed an extension to 12 miles and we continue to do so.
>
> "We say that as part of the general settlement and in order to achieve uniformity, some extension to the United Kingdom limits will have to be included.

"At the second Law of the Sea Conference at Geneva in 1960, my Federation supported resolutions advocating a six-mile limit. But we have never agreed to any wider extension, nor do we do so now."

The Fishing News, November 29, 1963, suggested that the main outcome of the Conference ought to be the establishment of a Fisheries Council for Europe, composed of all participating nations. This would be a permanent body employing its own experts who would accept directions from the Council, examine problems, and draw up practical solutions for consideration. There should be regular meetings and single-minded officials working to achieve common aims — assured stocks, wise utilization, and remunerative markets. An editorial in this paper on December 6 suggested that the Government should at the earliest possible date introduce new limits on a base similar to that used by Iceland and Norway.

The December 3-6 Conference was reconvened on January 8, 1964 and continued for eight days. The press reported on January 18 that the U.K. and 12 other nations had approved a draft agreement for a six-mile exclusive fishing limit, with a further six-mile limit where only those countries which have fished traditionally in such waters will be allowed to continue fishing, and then only on the scale of their fishing up to date. So far as the U.K. is concerned, there will be an 18-month phasing out period from June 1964, during which time foreign fishermen who have traditionally fished the three to six-mile coastal zone will have time to adapt themselves to their exclusion from it, with a further year in areas where new base lines can properly be drawn. After that, fishing within the inner six miles will be reserved to the coastal State; in the outer six miles, fishermen of the coastal State will fish, as without limits of time will foreign fishermen be permitted to fish their traditional fisheries within this limit. As a concession to the dissenting minority (Norway, Denmark, and Iceland), it has been agreed that the provision for traditional fishing in the outer six-mile zone can be suspended in particular areas with the consent of the other signatories to the Convention, in cases where the local population is overwhelmingly dependent on coastal fishing. Enforcement of conservation measures within the 12 miles will now be in the hands of the coastal State itself and will not as hitherto be applied by the State from which the vessel was operating. The Conference invited the United Kingdom Government to convene a technical conference to draft an up-to-date code governing the behaviour of fishing vessels on the North Atlantic fishing grounds. According to press reports, the United States, Russia, Canada, and Poland will be invited. The Conference will reconvene on February 26 in London, when, among other things, marketing arrangements will be discussed.

Norway appears to be reluctant to grant foreign vessels the right to land their fish in Norway. The British and Scottish Trawlers' Federations have commented:

> "Our major disappointment lies in the failure of the conference to achieve what it purportedly set out to do — to bargain the markets of this country and the E.E.C. for grounds in more northerly waters."

The 12 nations which have approved the draft are France, West Germany, Belgium, Holland, Italy, Luxembourg, Ireland, Austria, Switzerland, Spain, Portugal, and the U.K. Iceland rejected the proposal; Sweden is said to have small reservations, and there is reported to be reasonable hope that Norway and Denmark will agree with the Conference's plan in the near future. The Financial Times, January 18, 1964, reported:

> "As a concession to the dissenting minority — Norway, Denmark, and Iceland — it has been agreed that the provision for traditional fishing in the outer six-mile zone can be suspended with the consent of the other signatories in cases where the local population is clearly dependent on coastal fishing.
>
> "...It is felt that the conference's insistance that fish-marketing arrangements in this country and Europe could only be discussed after agreement on coastal limits may help them [Norway and Denmark] to change their attitudes. For the moment, however, Norway agrees in theory with the proposals but refuses to be bound by them herself, while Denmark wishes to except the Faroes and Greenland. Iceland, on the other hand, appears much more strongly opposed in principal..."

Considerations in endeavoring to secure a united policy are that while the E.E.C. has 170 million people and a fish catch of less than two million long tons, the E.F.T.A. has half that population and a catch more than twice as large. They have been called the "importing six" and the "exporting seven". The U.K. has a considerable catch (785,900 long tons of wet fish in 1962), and policy is to retain it at the present level. The U.K. is a big consumer (17.5 lbs. per capita in 1962 and 1961) and a very large importer (chiefly of canned fish, but also of a considerable amount of fresh, chilled and frozen fish), but is not a comparatively large exporter. It has an open market (apart from a reasonable tariff which favors the Commonwealth and E.F.T.A. countries and a higher tariff on shell fish), whereas restrictions operate against British vessels landing catches in some countries which besides landing fish in the U.K. sell large amounts to her. Other European countries have import quotas or high tariffs

which mitigate against British fish exports. Moreover, vessels of certain countries are reported to fish in waters around the U.K. when U.K. vessels are restricted from fishing there — for instance, in the Moray Firth and Forth of Clyde. It is also claimed that some foreign vessels are equipped with nets of a much smaller mesh size than is British practice and fish with more intensity, thus depleting stocks.

VI. EEC AND EFTA

The British Trawlers' Federation was greatly disappointed when negotiations concerning Britain's entry into the EEC market failed. The breakdown of negotiations emphasized the difficulties arising from the limited membership of EFTA. In compensation for being denied access to EEC, Norway and Denmark sought expanded opportunities to market their fish in the U.K.

The British Trawlers' Federation, however, contended that access to markets should only be considered in conjunction with access to fishing grounds and related matters in the wider context of Western Europe. It commented:

> "While fishery limits creep out, prohibitions and other restrictions abound. Iceland imposes a ban on the direct landing of fish for processing; no fish caught with a bottom trawl may be exported to Norway. Fishing vessels are prohibited from landing their catches in Denmark, Belgium, and the Netherlands, while these two Benelux countries impose quotas on other forms of fish imports; in France quotas co-exist with very high tariffs. In addition to these highly effective import barriers, some of these countries have devices of one kind or another which prevent foreigners from setting up processing plants.
>
> "The ever-open doors of Britain to both fish imports and the establishment of foreign companies provide a stark contrast. Clearly this is a grave and artificially created imbalance in competitive conditions. The Federation feels strongly that these matters cannot satisfactorily be dealt with piecemeal but only as an inter-related whole."

The Federation, while admitting that EFTA has brought some advantages to Great Britain, says it has also created considerable difficulties. The unilateral lowering of customs duties paid on fish imports from the Scandinavian countries, all of whom are members of EFTA, will allow large quantities of processed fish to be exported by these countries to Great Britain duty free as well as the normal landings

which are made from Scandinavian fishing vessels. It declares:

> "The eventual solution and rationalisation of Europe's fishing industry depends on a sensible and negotiated settlement between all countries. Until such a settlement can be agreed, both with EFTA countries and those in the EEC, the British fishing industry is in the position of employing the largest catching unit in Europe, and yet remaining unable to develop its own markets in Europe. At the same time, our own domestic market is open to an enormous quantity of fish which is exported from these countries and others as far away as Japan and Russia.
>
> "These developments have taken place suddenly and with very little warning. For this reason the British Government has awarded subsidies to enable the industry to adapt itself to meet the increasing foreign competition arising from the trade agreements and the difficulties imposed by widening of the fishing limits around foreign countries. Subsidies to the fishing industry are comparatively small, especially in relation to those available to agriculture, but they are nevertheless welcome as a token of the Government's recognition of the importance of the industry, not only in the value of its catch, but also in its great record of service to the country in peace and war.
>
> "Subsidies alone, however, are not enough. What is wanted is a common fishing policy among all the western European nations, in catching, conservation and marketing of fish..."

The U.K. made it clear at the time of negotiations with EFTA countries in November 1959 regarding fish imports into the U.K. that it would regard any extension of fishing limits by another Member Government which excluded U.K. fishing vessels from areas where they were then fishing as a fundamental change in the conditions of competition of the fishing industry. In the event of a fundamental change in the conditions of competition of the fishing industry, the Council of the European Free Trade Association will consider the inclusion in Annex E of B.B. item ex 03.01 frozen fish fillets and, unless the Council by unanimous vote decides otherwise, this item must be included. Annex E of the Convention is the list of fish and fish and other marine products which will not receive industrial treatment. Whether this provision will be invoked regarding Norway and Denmark remains to be seen.

VII. GRANTS, LOANS AND SUBSIDIES TO THE FISHING FLEET

Assistance to the fishing fleet has in the past been limited to

the inshore, near and middle water sections. Operational subsidies have been paid to these sections for white fish and to herring vessels. The main justification has been the need to keep older vessels at sea while new ones were being built. Originally it was intended that subsidies should cease in 1961 but they were extended until 1963. Moreover, in August 1961 operational subsidies were for the first time made available to the distant water fleet. Grants toward the cost of building new inshore, near and middle water fishing boats and converting old ones in Great Britain, as well as loans for the building, conversion or reconditioning of fishing boats have been made by the White Fish Authority and the Herring Industry Board. Working owners have also been eligible for re-engining grants.

The Sea Fish Industry Act, 1962, included new and extended measures of financial assistance for the industry. Grants and loans are no longer limited to vessels and engines built in the U.K. Often lower quotations have been received from abroad, but this point caused much discussion in Parliament and an undertaking was given that the WFA would ensure that British yards were given a fair chance to compete with foreign tenders. No assistance has yet been given for any foreign built vessel.

The 1962 Act extended the Authority's powers for making grants and loans to include vessels used for processing or transporting white fish, but Ministers have not so far brought this provision into operation by means of a scheme. The Authority's powers to give assistance toward the cost of building experimental vessels were not affected by the Act.

Under the Act, white fish subsidies will now continue until 1972, but will be reduced annually so as to be eliminated by that time. The Act also introduced "special" subsidies for particular classes of vessels in the near, middle water and distant water fleets to permit additional payments to sections of the fleet in particular difficulties.* The overall limit for "special" subsidies is £2.5 million over the 10-year period, with not more than £350,000 being used in any one year. Because of difficulties met by certain sections of the fleet during the second half of 1962, a Scheme was placed before Parliament in April 1963 amending the Scheme which became operative on August 1, 1962. The original scheme was designed not to exhaust the limit of £350,000 in any one year and to keep some money in hand in case particular difficulties arose during the year, and also to provide some slack so that substantial amounts of special subsidies might be

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* The coal-burning steam vessels which under the 1962 Act are excluded from the basic rates were, under the 1962 Scheme, given special rates of subsidy of £6.10s.0d. per day at sea for near and middle water vessels and £7.10s.0d. a day for distant water vessels.

spent in later years, if necessary, without exceeding the overall limit of £2.5 million. Nevertheless, the total of special subsidies expected to be paid out during the subsidy year ended July 31, 1963 closely approached the limit of £350,000. In addition, it was anticipated that £2.4 million would be spent on "basis" subsidies during this period, compared with the total of £2.5 million spent in subsidies for these classes of vessels in the previous subsidy year.

Until the 1962 Scheme, the division between inshore vessels and near and middle water vessels was taken at 70 ft. length, and all inshore vessels received a subsidy according to the amount of fish landed and sold, rather than on the number of days spent at sea — the practice for larger boats. Under the 1962 Scheme the dividing line between "inshore" and "near" was taken at 80 ft. and vessels between 60 and 80 ft. now receive the following rates of subsidy per day at sea:

60-70 ft.	£6.0s.0d.
70-80 ft.	£7.10s.0d.

Another class of vessel which receives a daily rate of subsidy of £6.0s.0d a day is the seine vessels under 60 ft. in length which spend more than half their time at sea on voyages of eight days or more. These vessels, while classified as "inshore" for convenience to distinguish them from the vessels in receipt of "basic" subsidies, spend most of their time at sea outside what is generally regarded as the limit of inshore waters, as do many of the 60-80 ft. vessels. Inshore vessels under 60 ft. in length continue to receive subsidy according to the weight of fish landed.

It is expected that £1.4 million will be paid out in subsidies for the inshore vessels in the subsidy years 1962-63, of which £509,000 will go to inshore fishermen in England and Wales and Northern Ireland, and £927,000 to those in Scotland (the ones who have been pressing strongest for a 12-mile fishing limit). This compares with £1.3 million in the previous subsidy year, of which £842,000 went to the Scottish inshore fishermen and £447,000 to those in England and Wales and Northern Ireland.

The 1962 Sea Fish Industry Act modified considerably the administration of the Grants and Loans Schemes, as did the Scheme (effective August 7, 1962) made by the Minister under the Act. Although assistance is now available for the distant water fleet, the scale of help which can be provided for trawlers generally is much more restricted than previously. Grants and loans may be made to those already in the industry only in two kinds of circumstances.

irst, there may be replacement of prewar distant water vessels (of 40 ft. length)* or of near and middle water vessels built without overnment or WFA assistance, provided the owner scraps two tons for very ton of new construction. Secondly, the Authority may assist when it is satisfied that the new vessel is required in the interests of the general economy of a particular port or of the economic operation of the owner's fleet. Loans may be made to the larger companies for new vessels only if the Authority is satisfied that the money cannot be borrowed on the open market at commercial rates of interest. Loans are no longer available for the reconditioning, re-engining, or conversion of trawlers. The rate of grant remains at 25 percent of the vessel's approved cost, but the maximum payable is raised to £50,000. The maximum rate of loan is unchanged at 60 percent of cost.

The term "near and middle water" vessels now applies to those between 80 and 139.9 feet registered length (instead of 70 and 129.9 feet) to conform to the revised classification for subsidy purposes. By the end of 1962 what has been in effect the total rebuilding of the near and middle water fleets had largely been completed with the aid of grants and loans from the WFA. The Authority severely restrained all assistance for new construction for the near and middle water fleets during the year 1962 as has been the practice since the beginning of 1961.

Total assistance for the inshore fleet amounted to nearly £8 million by March 31, 1963. The number of grants approved in 1962-63 was slightly higher than in the previous year, i.e., 57 compared with 52. The number of applications, 77, was almost the same. Although there was less need for restraint over assistance for new engines, applications (after allowing for withdrawals) and approvals were fewer than in the previous year. From 1961, the WFA has followed a cautious policy in approving assistance for building new inshore vessels. Present policy for new vessels under 80 ft. is to avoid any increase in total catching capacity, particularly in respect of the class of vessels which might be in competition with the trawler fleet. Grants are at the rate of 30 percent of cost, subject to a maximum of £13,000. Grants may also be given for re-engining vessels of under 80 ft. at a rate of 30 percent of cost, up to a maximum of £2,500. For either new vessels or new engines the grants may be accompanied by loans of up to 55 percent of cost. Loans are now also available, in accordance with the recommendations of the Fleck Committee, for acquiring and reconditioning second-hand vessels of less than 80 ft. in length.

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* There were nearly 60 prewar distant water vessels operating at the time the scheme became operative. The latest information available shows that grants totalling £100,000 have been approved for two new distant water trawlers. For one of them, a "whole-freezing" vessel, an additional grant was approved because of its experimental features. No loan was made for either trawler.

The following table shows the growth of the White Fish Authority's financial assistance to the industry since the inception of the various schemes for grants and loans to the end of March 1963.

Cumulative Totals of Grants and Loans

	Gross Grants Expenditure £	Gross Loans Expenditure £	Net Loans Outstanding £
1953-54	163,719	182,169	177,829
1954-55	799,822	1,315,645	1,222,354
1955-56	1,698,114	3,324,914	3,074,608
1956-57	3,303,594	5,838,926	5,157,046
1957-58	4,508,190	9,433,652	8,022,056
1958-59	5,937,207	13,181,901	10,887,522
1959-60	8,787,843	18,682,815	14,880,850
1960-61	11,273,644	24,594,471	19,441,490
1961-62	12,735,371	28,841,817	22,032,074
1962-63	13,078,846	30,616,872	22,262,133

Loans issued in 1962-63 were largely in respect of commitments entered into before April 1, 1962.

Financial Difficulties of Trawling Fleet — WFA Takes Unprecedented Steps of Taking Over Vessels and Hiring Shipyard to Complet

For the first time since the inception of the Loans Scheme, substantial amounts were overdue at the end of the 1961-62 year (March 31, 1962) from borrowers for principal and interest. The situation worsened considerably in 1962-63 and at May 16, 1963 amounts totalling £1,254,899 were overdue, mostly on loans for near and middle water trawlers. The amount overdue represented 55 percent of the loan repayments and interest due on or before March 31, 1963. The White Fish Authority found it impossible to meet the half-yearly repayment of principal and interest of £1.7 million due to the Exchequer on April 30, 1963. The arrears due to the Exchequer on May 16, 1963 were £634,031 (principal £334,034, interest £289,997). On that date the comparative position of loans to the industry and Exchequer loans was:

	Loans to the Industry	Exchequer Loans
Total principal due	£21,735,945	£21,944,468
Interest arrears	508,802	289,997
	£22,244,747	£22,234,465

The low catches, low prices, and loss of valuable fishing rounds caused depression among Scottish producers. Many Scottish wners defaulted on interest and loan payments to the WFA. The uture of the port of Aberdeen (where 53 percent of the white fish andings in Scotland occurred in 1962) became a matter of concern. ver £10 million has been spent on equipping its modern fleet, hiefly middle and near water vessels built since the war. The ritish Trawlers' Federation in 1962 waived its distinction between ear, middle and distant water sections of the fleet in the hope hat eventually trawling firms in Scotland and in ports of the U.K. hich are not already members of the Federation would join it so hat the Federation might speak unitedly for the U.K. trawling industry. The Federation sought a moratorium for a period of two years from April 1, 1962 on all payments due to the WFA under loan agreements for near and middle water trawlers and expressed grave concern when the Authority refused to grant a general moratorium. The Minister of Agriculture, Fisheries and Food announced special emergency measures to assist the trawler owners. These included (where justified because a company had reasonable prospect of overcoming its difficulties within a reasonable period) a moratorium on debts to the WFA, a limited relaxation of restrictions on distant water fishing by grant-aided vessels, and supplementary subsidy payments. These measures were considered inadequate. A Scottish Trawlers' Federation was formed to coordinate all Scottish trawling interests. It submitted a Memorandum to the Secretary of State for Scotland demanding more intensive measures to alleviate the position. Early in 1963 restrictions on distant water fishing by all grant-aided vessels were removed.

Ten companies or groups of companies in England and Wales have applied for deferment of payments to the WFA. Generally, the inability of the companies (investigated by chartered accountants appointed by the Authority) to meet their obligations to the Authority was ascribed to low fishing returns in 1961 and 1962, although reports on some firms disclosed management weaknesses and excess capacity in shore-based establishments. The WFA insists that these matters be put right before deferment of payment is permitted. Drastic steps have been taken in two cases — vessels have been sold by the Authority, and in one case a shipyard has been leased to complete three vessels still under construction in a case where a firm went bankrupt. However, in the first four months of 1963, earnings of grant-aided trawlers of three of the English companies in arrear were sufficient to cover costs including depreciation, as well as interest for the period on loans from the WFA. The removal at the beginning of 1963 of all restrictions on fishing in distant waters by grant-aided vessels contributed to the improvement.

In Scotland, 42 companies applied for deferment of payments due to the WFA. Reports by the investigating firm revealed some organizational defects and management shortcomings. The WFA reports that clearly a greater concentration of ownership and management must be undertaken in Aberdeen to secure greater efficiency and economy. In Scotland, substantially increased landings in the early months of 1963 were more than offset by a sharp decline in prices, so that the total value of the trawl catch was less than in the same period of 1962, which did not help companies in arrear.

VIII. OWNERSHIP OF VESSELS AND EMPLOYMENT

Ownership

Whereas Reports of the White Fish Authority prior to that of March 31, 1963 have indicated an increasing concentration of ownership of trawlers in England and Wales, the latest Report shows a slight increase in 1962 in the number of owners of one or two vessels. Seven companies or groups of companies own 62 percent of the fleet over 80 ft. in length. In Scotland, the number of owners has continued to decline. For instance, at December 1962 67 owners in England and Wales owned a total of 547 vessels in the distant, near and middle water fleets, compared with 59 owning 557 vessels at the end of 1961. At Aberdeen in December 1962 there were 45 owners of a total of 126 trawlers and liners, compared with 51 owners of 129 such vessels at the end of 1961. At Granton, Scotland, the number of owners fell from seven to six, two of whom own 16 of the 22 vessels operating there.

Employment

As the table below indicates, the number of fishermen has declined greatly since prewar and the tendency continues possible due in part to employment of more efficient vessels. In addition to those employed in catching, about 90,000 are engaged in processing and selling fish. Apart from producing food and by-products rich in vitamins for a country not self-sufficient in this respect, fishing is of great social significance, providing a way of life as well as employment in many remote parts of the country. In some major ports such as Hull and Grimsby fishing is the most important part of life and industry, besides being a recruitment source for the Navy.

Estimate of Numbers Employed in Fishing

	1936	1938	1958	1959	1960	1961	1962
England and Wales	23,963	n.a.	16,593	16,293	16,358	17,105	16,533
Scotland	n.a.	17,915	11,519	11,509	11,246	10,870	10,610
Total	41,878		28,112	27,802	27,604	27,975	27,143
Regularly employed							
England and Wales	23,963	n.a.	13,457	13,003	12,712	13,241	12,898
Scotland	n.a.	12,976	8,837	8,805	8,795	8,671	8,441
Total	36,939		22,294	21,808	21,507	21,912	21,339
Partially employed*							
England and Wales	--	n.a.	3,136	3,290	3,646	3,864	3,635
Scotland	n.a.	4,939	2,682	2,704	2,451	2,199	2,169
Total	--	4,939	5,818	5,994	6,097	6,063	5,804

Source: Based on Sea Fisheries Statistical Tables 1962 and Ibid., for Scotland 1962.

IX. RESEARCH AND DEVELOPMENT

The Annual Report of the Torry Research Station for 1961 published July 1962 predicted that important changes were imminent in the next 20 years in the pattern of the British fishing industry due to the extension of fishing limits and decreasing supplies from existing major fishing grounds. This would necessitate increasing exploitation of distant water fisheries and the freezing and cold storing at sea of a large proportion of British catches. The changes would affect research and experimental work. Existing priorities were (1) assistance toward new projects devoted to freezing at sea, and (2) the development of thawing frozen fish and assessment of results. It said that concerted efforts were also being made to continue to improve existing quality standards. The British Trawlers' Federation commented that adequate stocks of catchable and saleable fish not too remote from the home market were necessary to successful fishing. Under state enterprise,

*The England and Wales figures refer to part-time and occasionally employed. The Scottish figures include crofter fishermen numbering 4,067 in 1938, 1,421 in 1958, 1,492 in 1959, 1,267 in 1960, 1,134 in 1961, and 1,057 in 1962. These crofter fishermen are mainly in the Hebrides and Orkney and at the mainland ports of the north-west coast, where in 1959 they constituted 70 percent of the total resident fishing population. The figures for England and Wales are as at December 31 of each year, and the Scottish figures are for November 30 each year, except in 1961 and 1962 when they conform with English figures.

with money a minor consideration, all manner of impressive schemes could be undertaken, but in Britain private enterprise must face the risks entailed in new concepts and techniques of fishing. As tastes become more sophisticated, due to the growth of the affluent society, the problem of catching saleable fish becomes more important.

The Advisory Group on experimental fishery work set up by the Ministry of Agriculture met last on July 11, 1962. Since that time the White Fish Authority has established a Research Committee under the chairmanship of Sir Frederick Brundrett, a member of the Authority. The British Trawlers' Federation has since intimated that it considers the Ministry of Agriculture and Fisheries' Advisory Group to be redundant. The program formulated by the WFA policy committee and approved by the Authority includes short-term projects capable of solution within a year, and others which will take several years to complete. The projects are grouped in the following categories:

(i) Engineering development concerned with ship design, propulsion and machinery;

(ii) Processing, handling and preservation;

(iii) Development of improved fish catching techniques;

(iv) Development of improved fish finding techniques;

(v) Utilization of alternative resources, including artificially reared stocks.

Britain's second freeze stern-trawler, designed to land both wet and frozen fish, was brought into service in 1962. The M.V. JUNELLA, the most notable addition to the British fleet in 1962, deep freezes the whole of the catch at sea in vertical plate freezers as soon as the fish has been gutted, washed and sorted. (See Enclosure 18). The vessel is powered by diesel-electric motors and has a freezing capacity of 25 tons of fish per day, with storage capacity of just over 300 tons frozen in blocks weighing 70 lbs. each. A stern-trawler was also brought into operation at Milford Haven. During 1962 member companies of the British Trawlers' Federation at four ports added, or planned to add, stern-trawling vessels to their fleets. An advantage of such vessels is the greater speed in shooting and hauling in the trawl gear which makes for a minimum loss of fishing time on hauls. Another is the advantage offered in the way of improved working conditions for the deck crew. On the stern-trawler the men working on the trawl deck, handling trawl gear and dealing with the catch, enjoy more sheltered conditions than do the men engaged on similar work on a side-fishing trawler. Moreover, the physical effort required from the deckhands for hauling aboard the trawl nets is very considerably reduced.

Owners at both Hull and Grimsby ordered during 1962 additional "all-freeze" vessels equipped with refrigeration machinery which enables them to freeze the catch as it is caught and thus land it in first-class condition. They differ from "factory ships" in which the fish is filleted as well as frozen at sea.

At Grimsby, a machine capable of gutting fish at sea, which has taken five years to develop, was finally tried out under working conditions on the VIVARIA. The machine shows some promise of ability to gut cod to an acceptable standard.

As a result of research into echo-sounding apparatus, a "Fishograph" has been developed which gives a continuous graphic record of the sea bed of sufficient sensitivity to pick up shoals of fish. It is the first equipment designed in Britain specifically for fish detection.

The Report of the Herring Industry Board for 1962 mentions (on page 49) that as an additional aid to mid-water trawling trials for herring, the National Institute of Oceanography lent the Board one of its new type Telemeters, an instrument which is attached to the trawl and transmits to the boat information as to the exact depth at which the headline is travelling when trawling is in progress.

The Financial Times, January 21, 1964, reported:

> "Synthetic rope, weighted with strands of lead wire to combat buoyancy, has been developed for use with seine net fishing gear.
>
> "Although it costs more than twice as much as conventional rope, it will last three times as long, it is claimed. It will not rot and has high resistance to abrasion.
>
> "Tested over a long period last year in the Aberdeen fishing vessel, FEAR NOT, it is being manufactured by the Airedale Rope Company, of Bramley, Leeds. It is produced from Courlene polythylene monofilament manufactured by British Celanese from Rigidex high density polyethylene supplied by British Resin Products."

Mechanization of Unloading

An experiment in mechanical unloading and handling at Grimsby has been concluded. The experiment has established that portable equipment of the type used is impracticable because it is too cumbersome to maneuver under existing conditions and that equipment

installed at fixed berths on the market would be better. It has also shown that standardization of fish rooms and hatches would be advantageous. As a result of the trials the Owners' Association has decided that mechanization of landings cannot be carried out successfully unless fish merchants are removed from the market concerned.

With more fish being frozen at sea and the possibility of more fish being boxed at sea, mechanization of discharge may be developed among different lines to take account of both old and new forms of landings. With these considerations in mind, the question of research into mechanization of handling from fish room to market has been referred to the WFA Research and Development Policy Committee.

Fishing Grounds and Varieties of Fish

Faced with the 12-mile limit around Iceland, more Hull trawlers have been going farther afield to find fish. One result was a sharp increase in 1962 compared with previous years in the number of trips made to Greenland waters. At least two voyages of an experimental nature were also made to fishing grounds in the region of Newfoundland. Three Aberdeen trawlers undertook experimental voyages in deep water with French-type trawling gear. The objectives were to test the gear on the 100-fathom line, and to try new fishing areas in which Aberdeen trawlers could operate if the Faroese insisted on imposing a 12-mile limit against British vessels. The trials were reasonably successful and were continued in various fishing grounds of similar depth during 1963.

Dr. H.A. Cole, Director of Fishery Research at the Ministry of Agriculture has suggested that as new fishing grounds are developed British consumers may have to be persuaded to buy varieties of fish to which they have been unaccustomed. While this might be difficult in a nation of conservative feeding habits, distributors may be more conservative than consumers. Dr. Cole quoted scampi and fish fingers as examples of products whose popularity has risen recently. He suggested that redfish, the most prolific variety in the grounds now fished, might profitably be exploited. Over £500,000 worth is already landed annually in the U.K., mainly for export to Germany, Australia, and the United States, where it is popular and commands a good price. In Britain there is a poor market. Consequently, there is no deliberate fishing for this variety. Almost all redfish landed by British fishermen is caught incidentally during cod fishing. However, landings rose by 11 percent to 16,750 long tons in 1962.

Need for Improved Marketing

It is mainly through improved marketing that producers will be able to obtain the better economic returns that will enable the trawling industry to achieve the viability which the 1962 Sea Fish Industry

Act was designed to create. It is important that the industry should raise its standards of quality and methods of handling and that more effective methods of publicity be undertaken. In April 1962 the Minister of Agriculture, Fisheries and Food organized a meeting at which representatives of all sections of the industry were present. The theme of the meeting was the need for quality improvement — whether by codes of practice or regulations was not decided. The National Federation of Fish Friers expressed a firm need for regulations. A second meeting took place in June and was concerned principally with handling of fish on the trawler and at the quayside and port market. Representatives of fish dock and market authorities attended together with representatives of trawler owners, coastal wholesalers, and the trades unions connected with the industry. A third meeting with representatives of Scottish inshore fishermen and distributors was held in Edinburgh in January 1963. Following opinions expressed at the first two meetings, the WFA drew up for discussion a comprehensive list of desirable measures to improve quality which might be made subject to regulations. In this discussion some measures were eliminated from the list and on certain other matters more information was sought. When the definitive list is ready it is intended to consult the Minister of Health, the Scottish Home and Health Departments, and the local authorities and associations on the form of regulations and methods of enforcement.

The list did not include quality inspection. The WFA considers that the industry should establish a standard higher than the public health inspector's test of fitness for human consumption and that this higher standard can be achieved only by setting up a parallel system at the major ports with a separate inspectorate and a common method of assessing quality. It is believed that the cooperation of the industry could best be secured by a gradual approach through voluntary pilot schemes.

TABLE I

U.K. Imports of Fish and Fish Preparations, 1959-62
(In pounds sterling)

Country of Origin	1959	1960	1961	1962
France	74,679	80,575	96,453	94,315
Germany, Western	398,784	515,933	465,553	317,743
Italy	3,400	8,187	-	-
Belgium	487,702	595,652	731,165	515,089
Netherlands	930,441	868,649	757,989	744,965
Denmark	3,280,810	4,266,577	4,829,832	4,967,283
Norway	6,647,478	6,309,519	6,572,909	7,059,370
Portugal	1,450,731	1,627,353	1,542,260	2,012,775
Sweden	334,911	276,628	330,694	153,649
Switzerland	6,668	9,482	46,707	28,952
Iceland	907,037	2,032,370	2,778,492	2,730,613
Faroe Islands	896,014	1,354,782	1,341,316	1,232,796
Canada	7,228,328	3,781,184	3,410,740	4,562,166
Irish Republic	963,142	884,454	733,143	923,052
Republic of South Africa*	93,990	105,360	545,729	423,705
Poland	61,368	18,818	78,060	8,083
United States	3,087,830	3,327,096	1,666,533	2,063,472
Greece	-	-	7,560	9,059
British Guiana	-	-	86,648	140,035
Chile	31,883	80,255	107,275	190,913
Hong Kong	-	-	6,342	228,509
Iran	5,684	30,531	3,789	51,609
U.S.S.R.	1,223,694	2,117,199	985,183	1,735,116
China	219,633	199,747	32,683	154,289
Peru	377,596	394,672	666,263	486,935
South West Africa	1,308,873	1,571,831	1,252,701	1,409,717
Spain	79,119	78,102	90,597	108,183
Yugoslavia	67,907	28,151	69,860	7,373
India	17,749	18,438	49,522	57,455
Gibraltar	13,371	4,166	-	-
Morocco	4,895	16,161	-	-
Pakistan	42,680	22,692	-	-
Japan	22,142,056	16,504,556	12,973,078	26,912,710
Australia	52,435	13	-	-
Total	52,440,888	47,129,133	42,279,056	59,359,931
Other countries, unspecified	310,949	1,187,270	600,903	930,172
Grand Total	52,751,837	48,316,403	42,879,959	60,290,103

Source: Compiled from Table 12, Sea Fisheries Statistical Tables 1960 and 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s. each.

* Prior to January 1, 1962, known as Union of South Africa.

TABLE II

U.K. Imports of Fish and Fish Preparations in Airtight Containers, 1959-62
(In pounds sterling)

Country of Origin	1959	1960	1961	1962
Australia	52,435	13	-	-
Japan	21,518,089	15,462,079	12,356,893	25,506,344
Canada	7,202,568	3,280,236	2,395,551	3,572,770
Peru	377,596	394,672	666,263	486,935
Iceland	21,495	19	-	-
Sweden	39,492	22,517	18,863	52,927
United States	3,086,639	3,235,977	1,600,648	2,005,892
Germany, Western	37,583	37,304	37,719	42,076
Norway	2,213,986	1,553,063	1,428,433	2,024,118
Republic of South Africa*	64,739	90,695	296,933	245,481
South West Africa	1,308,873	1,571,831	1,252,701	1,409,717
Denmark	111,100	36,966	97,515	217,243
Spain	79,119	78,102	90,597	108,183
Netherlands	148,126	87,864	57,498	33,594
U.S.S.R.	1,123,435	1,998,831	872,891	1,680,170
France	16,419	17,468	21,378	25,995
Portugal	1,447,428	1,624,185	1,538,988	2,009,365
Yugoslavia	67,907	28,151	69,860	37,373
Chile	31,873	52,621	31,615	4,751
China	-	-	-	-
India	17,749	18,438	49,522	57,455
Gibraltar	13,371	4,166	-	-
Morocco	4,895	16,161	-	-
Pakistan	42,680	22,692	-	-
Total	39,027,597	29,634,051	22,883,868	39,520,389
Other countries, unspecified	83,044	106,309	124,916	226,080
Grand Total	39,110,641	29,740,360	23,008,784	39,746,469

Source: Based on Table 12, Sea Fisheries Statistical Tables 1960 and Ibid., 1962.

* Prior to January 1, 1962, known as Union of South Africa.

TABLE III

U.K. Imports of Fresh, Chilled and Frozen Fish, 1959-62
(In pounds sterling)

Country of Origin	1959	1960	1961	1962
Denmark	3,074,117	4,070,968	4,554,322	4,387,495
Norway	2,995,531	2,991,703	3,552,435	3,151,912
Iceland	572,979	1,524,685	2,218,016	2,316,265
Faroe Islands	864,851	1,330,454	1,278,582	1,172,579
Canada	25,760	500,948	1,015,189	989,396
Belgium	487,702	595,652	731,165	515,089
Germany, Western	342,823	441,900	382,070	239,829
Irish Republic	728,911	722,363	590,685	790,278
Japan	521,549	909,215	496,160	788,686
Netherlands	651,579	673,742	560,224	560,621
Republic of South Africa*	-	-	230,559	175,867
Poland	61,368	18,818	78,060	8,083
United States	1,191	91,119	61,002	47,300
Sweden	295,419	254,111	311,831	100,722
France	1,427	10,549	11,988	8,750
Total	10,625,207	14,136,227	16,072,388	15,252,872
Other countries, unspecified	177,109	573,157	354,285	525,346
Grand Total	10,802,316	14,709,384	16,426,673	15,778,218

Source: Compiled from Table 12, Sea Fisheries Statistical Tables 1960 and 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s. each.

* Prior to January 1, 1962, known as Union of South Africa

TABLE IV

U.K. Imports of Cured or Salted Fish (not in airtight containers), 1959-62

(In pounds sterling)

Country of Origin	1959	1960	1961	1962
Iceland	246,651	357,165	388,393	264,478
Norway	182,454	276,837	160,028	57,149
Faroe Islands	31,163	24,328	62,734	60,217
Denmark	8,316	30,580	22,467	71,593
Netherlands	26,563	23,917	32,641	35,684
Japan	-	-	27,909	35,081
Irish Republic	40,002	26,237	18,453	16,019
France	4,710	8,461	-	-
Greece	-	-	7,560	9,059
Total	539,859	747,525	720,185	549,280
Other countries, unspecified	14,971	30,257	18,725	9,539
Grand Total	554,830	777,782	738,910	558,819

Source: Compiled from Table 12, Sea Fisheries Statistical Tables 1960 and 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s. each.

TABLE V

U.K. Imports of Shell Fish, 1959-62
(In pounds sterling)

Country of Origin	1959	1960	1961	1962
Irish Republic	185,702	122,790	115,285	102,092
Norway	1,012,214	579,027	1,373,805	1,741,488
Iceland	51,661	57,729	153,063	149,870
Netherlands	70,937	62,645	67,541	59,124
Denmark	26,084	10,484	64,281	109,575
Japan	78,870	21,457	18,257	17,218
British Guiana	-	-	86,648	122,009
Chile	10	27,634	45,758	70,135
China	196,043	87,863	24,298	147,196
Germany, Western	-	-	32,326	2,202
Hong Kong	-	-	-	155,077
Italy	3,400	8,187	-	-
Republic of South Africa*	29,251	14,665	18,237	2,357
France	41,305	25,554	36,640	30,507
Portugal	3,303	3,168	3,272	3,410
Total	1,698,780	1,021,203	2,039,411	2,712,260
Other countries, unspecified	18,723	10,933	67,476	127,300
Grand Total	1,717,503	1,032,136	2,106,887	2,839,560

Source: Compiled from Table 12, Sea Fisheries Statistical Tables 1960 and 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s. each.

* Prior to January 1, 1962, known as Union of South Africa

TABLE VI

U.K. Imports of Sturgeon Roe and Other Fish Roes Prepared in Like Manner, plus "Other Fish and Fish Preparations, n.e.s.", 1959-62
(In pounds sterling)

Country of Origin	1959	1960	1961	1962
Denmark	61,193	117,579	91,247	181,377
France	10,818	18,543	26,447	29,063
Germany, Western	18,378	36,729	13,438	33,636
Iran	5,684	30,531	3,789	51,609
U.S.S.R.	100,259	118,368	112,292	54,946
Switzerland	6,668	9,482	46,707	28,952
China	23,590	111,884	8,385	7,093
Iceland	14,251	92,772	19,020	-
Irish Republic	8,527	13,064	8,720	14,663
Japan	23,548	111,805	73,859	565,381
Netherlands	33,236	20,481	39,985	55,942
Norway	243,293	908,889	58,208	84,703
Chile	-	-	29,902	116,027
United States	-	-	4,883	10,280
Hong Kong	-	-	6,342	73,432
British Guiana	-	-	-	18,026
Total	549,445	1,590,127	543,224	1,325,130
Other Countries, unspecified	17,102	466,614	35,501	41,907
Grand Total	566,547	2,056,741	578,725	1,367,037

Source: Compiled from Table 12, Sea Fisheries Statistical Tables 1960 and 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s. each.

TABLE VII

U.K. Exports of Fish and Fish Preparations, 1961-62

	Long Tons		Pounds Sterling	
	1961	1962	1961	1962
Fresh white fish	2,186	2,105	524.1	575.2
Frozen white fish	7,264(a)	10,082	1,345.3	1,764.2
Fresh shell fish	1,092	1,112	570.6	652.6
Cured or salted cod	3,585	3,567	606.0	596.2
Other cured or salted white fish	3,215	2,969	519.0	544.8
White fish preparations (canned, paste, etc.)	3,153	4,020	891.5	1,079.2
Total white fish	20,495	23,855	4,456.5	5,212.2
Fresh or frozen herrings	2,448	5,780	85.3	173.0
Cured or salted herrings	8,532	9,253	815.7	943.5
Canned herrings	6,110	4,225	1,009.8	726.0
Total herrings	17,090	19,258	1,910.8	1,842.5
TOTAL	37,585	43,113	6,367.3	7,054.7

Source: Based on Table 13, Sea Fisheries Statistical Tables 1962, published by HMSO for Ministry of Agriculture, Fisheries and Food, price 5s., and Table on page 29 White Fish Authority Annual Report and Accounts March 31, 1963, HMSO, 3s. 6d.

Note: (a) Includes shipments held in storage from previous year

Sources:

Sea Fisheries Statistical Tables 1962 and 1960.
Ministry of Agriculture, Fisheries and Food.
Scottish Sea Fisheries Statistical Tables 1962.
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